

INVESTING IN ELECTRIC RELIABILITY...

NorthWestern Energy is in the early stages of significant upgrades to its electric transmission infrastructure in southcentral Montana, with the work to be focused primarily in Stillwater and Carbon counties. Improving the reliability of electrical service to area customers and the region, as well as providing additional capacity due to electric load growth in the area, are the primary goals of the project, which will take place in phases over a 10-year period.



THE CARBON - STILLWATER ELECTRIC TRANSMISSION INFRASTRUCTURE PROJECT

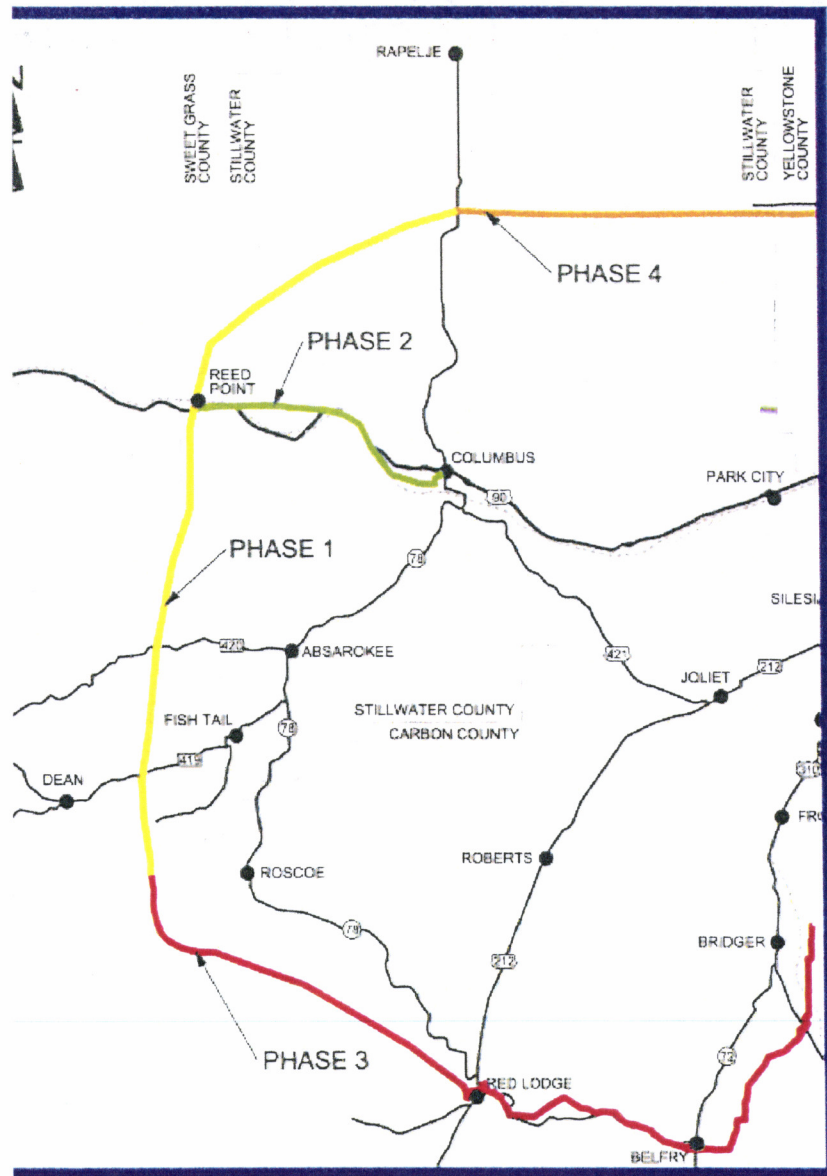
Key components of the project will include upgrading several substations and existing transmission lines in the area, and the construction of a new 100kV transmission line. The project is anticipated to be completed in phases over the next 10 years, with the following major components:

- **Phase One** – Construct a new 100kV transmission line from NorthWestern Energy's existing Columbus Rapelje Substation to the Chrome Junction Substation near Dean, Montana, plus other area substation upgrades. Project siting and right-of-way acquisition is intended to begin in 2013 and construction is anticipated in 2015 and 2016.
- **Phase Two** – Upgrade and rebuild the existing 50kV transmission line from Reed Point to Columbus. The existing 50kV transmission line will be upgraded to 100kV and connected to the new transmission line near Reed Point. Phase Two is anticipated to be needed in the 2016 to 2020 timeframe.
- **Phase Three** – Upgrade and rebuild the existing 50kV transmission line from NWE's Bridger Auto Substation to Red Lodge to Chrome Junction. The existing 50kV line will be upgraded to 100kV along with additional substation improvements that are connected to the line.
- **Phase Four** – Upgrade and rebuild the existing Alkali Creek to Columbus Rapelje 161kV transmission line. Phase Three and Phase Four improvements are anticipated to be needed in the next 10 years.

Project Cost - Phase One of the project is estimated to cost between \$34 and \$39 million. The final route of the transmission line and other factors will have an impact on the final cost. The cost of the latter phases is still undetermined.

Community Benefit - The project will improve the reliability of electric service for NorthWestern's customers in the Columbus-Absarokee-Red Lodge area, including those served by other area electric cooperatives. Electric transmission upgrades in this geographic area are one of NorthWestern's top priorities in Montana. NorthWestern has seen significant residential, commercial and industrial demand growth in the Columbus, Red Lodge and Absarokee areas and expects that trend to continue.





Map Note: This map is for general illustration purposes only. It is not a transmission-line route map.

NorthWestern Energy is the largest property taxpayer in Carbon County and the second largest property taxpayer in Stillwater County today due to existing utility infrastructure. Phase One of the project is projected to generate up to \$1.2 million in estimated property tax payments.

Time Frame - Preliminary work has begun on the project. NorthWestern Energy has undertaken significant transmission planning and is completing a preliminary siting study that will identify potential route alternatives for the Phase One transmission line. NorthWestern will begin contacting potentially impacted landowners and seeking their input on potential routes for the new transmission line early in 2013. The company will seek to negotiate easements with private landowners for placement of the new line. This work is anticipated to occur throughout 2013.

What regulatory approval will be needed?

The new transmission line will be subject to the Montana Major Facilities Siting Act. NorthWestern is required to file a public notice in area newspapers and with the Montana Department of Environmental Quality describing project details and approach prior to easement notification. NorthWestern anticipates filing that public notice in late 2012 or early 2013.

Want more information about the Stillwater Electric Reliability Project?

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